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27 Motion to Compel

LAW OFFICE OF KRISTY A. HERNANDEZ 7777 Greenback Lane, Suite 212 Citrus Heights, CA 95610

UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF CALIFORNIA

In Re:

KRISTA RENE SAVALA

Ph: (916) 728-1500

Fx: (916) 728-1515

THOMAS JAMES SAVALA

Kristy A. Hernandez - SBN 231141

Debtors

Case No. 2011-35161

Hearing Date: September 14, 2011

Hearing Time: 10AM Courtroom 34 - Dept D Honorable Robert S. Bardwil

Docket Control No.: KH-1

MOTION FOR ORDER COMPELLING ABANDONMENT OF THE ESTATE'S INTEREST IN DEBTORS' BUSINESS

Kristy A. Hernandez of Law Office of Kristy A. Hernandez, on behalf of Krista Rene Savala and Thomas James Savala, the Debtors herein, hereby moves this Court for an Order Compelling Abandonment of the Estate's interest in the Debtors' Business. This Motion is based on the following facts:

- 1. This case was commenced with the filing of a petition on June 17, 2011. James M. Hopper was duly appointed to serve as Trustee.
- 2. As shown in the filed schedules of this case, the Debtors operate a business, Savala Cleaning Services. Said business is located at 825 Meadows Circle in Woodland, CA 95695.
- 3. The Debtors do not have tools of the trade, equipment, or accounts receivable; therefore these items have not been disclosed in detail in the filed Schedule B. The

business assets in this case consist of cleaning supplies. The Debtors have placed values on these assets in the aggregate total of \$.00.

4. In summary

- 5. The Debtors assert that there does not appear to be any business equipment or inventory that can be profitably liquidated by the Trustee over and above (a) the liens, if any, in Schedule D attaching to the business-related assets and (b) the exemptions, if any, in Schedule C claimed by the Debtors.
- 6. The Debtors are aware that, under the provisions of Title 11, US Codes §721, only the Trustee has the authority to operate the Debtors' business; and then, only with an order of the Court. Otherwise, the Trustee is obliged to shut down the business or abandon the estate's interest in the business.
- 7. However, the Debtors assert that, based on the lack of any unexempt equity in any business-related asset, equipment or inventory, there is no benefit to the estate to either operating OR shutting down this business.
- 8. Federal Rule of Bankruptcy Proceeding 6007(b) permits a party in interest, including the Debtors, to file a motion seeking to compel the Trustee to abandon property of the estate.

Wherefore, the Debtors move this Court to issue an Order Compelling the Trustee to Abandon the Estate's Interest in the Debtors' Business.

/s/ Kristy A. Hernandez Kristy A. Hernandez Law Office of Kristy A. Hernandez

Motion to Compel